



CITY OF MORGAN HILL
COMMUNITY DEVELOPMENT DEPARTMENT, PLANNING DIVISION

17555 Peak Avenue Morgan Hill CA 95037 (408) 779-7247 Fax (408) 779-7236

Website Address: www.morgan-hill.ca.gov / Email: General@ch.morgan-hill.ca.gov

PLANNING COMMISSION

TUESDAY, SEPTEMBER 9, 2008

**CITY COUNCIL CHAMBERS
CIVIC CENTER
17555 PEAK AVENUE
MORGAN HILL, CA 95037**

COMMISSIONERS

CHAIR SUSAN KOEPP-BAKER
VICE-CHAIR MIKE R. DAVENPORT
COMMISSIONER H. GENO ACEVEDO
COMMISSIONER ROBERT L. ESCOBAR
COMMISSIONER RALPH J. LYLE
COMMISSIONER JOSEPH H. MUELLER
COMMISSIONER WAYNE TANDA

WORKSHOP - 6:00 P.M.

REGULAR MEETING - 7:00 P.M.

***** A G E N D A *****

NOTICE TO THE PUBLIC

The following policies shall govern the conduct of the Planning Commission meetings:

- *All Planning Commission proceedings are tape-recorded.*
- *Individuals wishing to address the Planning Commission on a particular item should fill out a speaker card and present it to the Secretary. This will assist the Chairperson in hearing your comments at the appropriate time.*
- *When the Chairperson invites you to address the Commission, please state your name and address at the beginning of your remarks.*
- *Speakers will be recognized to offer presentations in the following order:*
 - *Those supporting the application*
 - *Those opposing the application*
 - *Those with general concerns or comments*
 - *Presentations are limited to 5 minutes*

WORKSHOP – 6:00 PM

- **ACCELERATING PREVIOUSLY APPROVED HOUSING PROJECTS:** A workshop on the issues, policies and options addressing the cost of below market rate (BMR) housing and other factors that contribute to the slowdown in the production of new homes in previously approved housing projects. This item will also be discussed under the regular agenda as agenda item #3.

REGULAR MEETING AGENDA - 7:00 PM

**DECLARATION OF POSTING OF AGENDA IN ACCORDANCE WITH
GOVERNMENT CODE SECTION 54954.2 - SECRETARY REPORT**

OPEN PUBLIC COMMENT PERIOD (5 MINUTES)

Now is the time for presentation from the public on items **NOT** appearing on the agenda that are within the Planning Commission's jurisdiction. Should your comments require Commission action, your request will be placed on the next appropriate agenda. No Commission discussion or action may be taken until your item appears on a future agenda. You may contact the Planning Division for specific time and dates. This procedure is in compliance with the California Public Meeting Law (Brown Act) G.C. 54950.5. Please limit your comments to five (5) minutes.

PRESENTATION:

- 1) **ALUC PUBLIC PRESENTATION ON THE SAN MARTIN AIRPORT COMPREHENSIVE LAND USE PLAN:** A presentation on the proposed San Martin Airport Comprehensive Land Use Plan, which is currently being prepared. The proposed airport-specific Land Use Plan is an amendment to the County-wide Land Use Plan that introduces updated Safety and Noise Policies.

Recommendation: Receive the Presentation, Receive Public Comment and Provide Comment.

CONSENT CALENDAR:

MINUTES: August 12, 2008

PUBLIC HEARINGS:

- 2) **USE PERMIT, UP-08-07: SPRING-MT. HOPE CEMETERY:** A request for approval of a conditional use permit to expand the existing 5.11-acre Mt. Hope Cemetery to approximately 11 acres. The cemetery is located on Spring Ave. opposite the intersection at Barnell Ave. in a PF, Public Facilities zoning district. A Mitigated Negative Declaration is proposed. (APNs 767-16-002 & -042 and 767-15-014 & -017)

Recommendation: Reopen Public Hearing/Table the item.

OTHER BUSINESS:

- 3) ACCELERATING PREVIOUSLY APPROVED HOUSING PROJECTS : Continuation of discussion from the 6:00 PM workshop on the issues, policies and options addressing the cost of below market rate (BMR) housing and other factors that contribute to the local decline in the production of new homes in previously approved housing projects.

Recommendation: Discussion

ANNOUNCEMENTS:

UPCOMING AGENDA ITEMS FOR THE SEPTEMBER 23, 2008 MEETING:

- DSA-07-07: Native Dancer-Quail Meadows
- DAA-06-03C: Jarvis-South Valley Developers
- DSA-07-08A: Jarvis-South Valley Developers
- Accelerating previously approved housing projects

CITY COUNCIL REPORTS

ADJOURNMENT

SPEAKER CARD

IN ACCORDANCE WITH GOVERNMENT CODE 54953.3, IT IS NOT A REQUIREMENT TO FILL OUT A SPEAKER CARD IN ORDER TO SPEAK TO THE PLANNING COMMISSION. HOWEVER, it is very helpful to the Commission if you would fill out the Speaker Card that is available on the counter in the Council Chambers. Please fill out the card and return it to the Deputy City Clerk. As your name is called by the Chairperson, please walk to the podium and speak directly into the microphone. Clearly state your name and address and proceed to comment upon the agenda item. Please limit your remarks to three (3) minutes.

NOTICE

AMERICANS WITH DISABILITY ACT (ADA)

The City of Morgan Hill complies with the Americans with Disability Act (ADA) and will provide reasonable accommodation to individuals with disabilities to ensure equal access to all facilities, programs and services offered by the City.

If assistance is needed regarding any item appearing on the Planning Commission agenda, please contact the Office of the City Clerk at City Hall, 17555 Peak Avenue or call 779-7259 or Hearing Impaired only - TDD 776-7381 to request accommodation.

NOTICE

NOTICE IS GIVEN pursuant to Government Code Section 65009, that any challenge of any of the above agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to the Public Hearing on these matters.

NOTICE

The time within which judicial review must be sought of the action taken by the Planning Commission which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.

NOTICE

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act that are distributed to a majority of the Planning Commission less than 72 hours prior to an open session, will be made available for public inspection at the Office of the City Clerk at Morgan Hill City Hall located at 17555 Peak Avenue, Morgan Hill, CA, 95037 at the same time that the public records are distributed or made available to the Planning Commission. (Pursuant to Government Code 54957.5)



AGENDA ITEM
NO. 1

MEMORANDUM

To: PLANNING COMMISSION

Date: September 9, 2008

From: COMMUNITY DEVELOPMENT DEPARTMENT

**Subject: PRESENTATION ON THE SAN MARTIN AIRPORT COMPREHENSIVE
LAND USE PLAN**

REQUEST

Staff and representatives from the County of Santa Clara Airport Land Use Commission (ALUC) will give a presentation on the proposed San Martin Airport Comprehensive Land Use Plan (CLUP). The airport is located in the town of San Martin west of Highway 101 on Murphy Avenue, south of San Martin Avenue. The project environs include areas within the Cities of Morgan Hill and Gilroy and areas with Santa Clara County.

The proposed airport-specific Land Use Plan is an amendment to the County-wide Land Use Plan that introduces updated Safety and Noise policies.

The public presentation will provide an opportunity to learn more about the proposed CLUP and through the public comments received, assist the ALUC and County Staff in identifying potential impacts that need to be addressed in the Environmental Assessment. Attached are PowerPoint slides of the ALUC presentation.

Attachments:

PowerPoint Presentation

Santa Clara County Airport Land Use Commission (ALUC) South County Airport Comprehensive Land Use Plan

Introductions:

- o Walter Windus, Chairman
- o Mark J Connolly, Staff

What is the ALUC?

A State mandated County
Commission (Public Utilities
Code Section 21670)

Adel
7 members

ALUC Main Duties

1. Assist local agencies in ensuring compatible land uses in the vicinity of airports.
2. Prepare and adopt an airport land use compatibility plan (CLUP).

What is a Comprehensive Land Use Plan (CLUP)?

- Policy plan
- Establishes provisions for the regulation of land use, building height, safety, and noise insulation within areas adjacent to each of the public airports in the county.
- Provides guidance for the orderly growth of areas surrounding public airports in Santa Clara County.
- Minimizes the public's exposure to excessive noise and safety hazards.

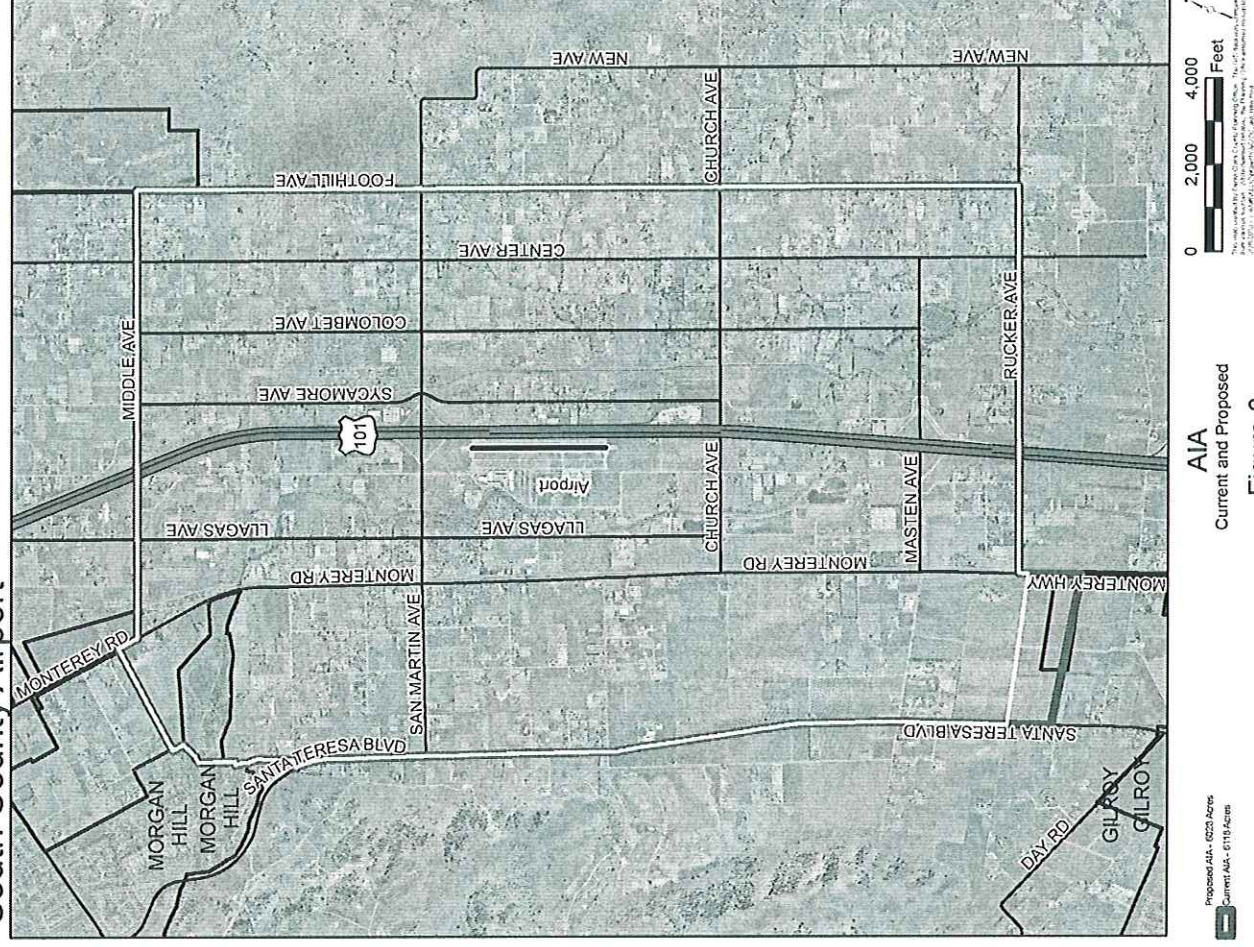
How Does the South County Airport CLUP affect the Community?

The Land Use Plan has two potential effects:

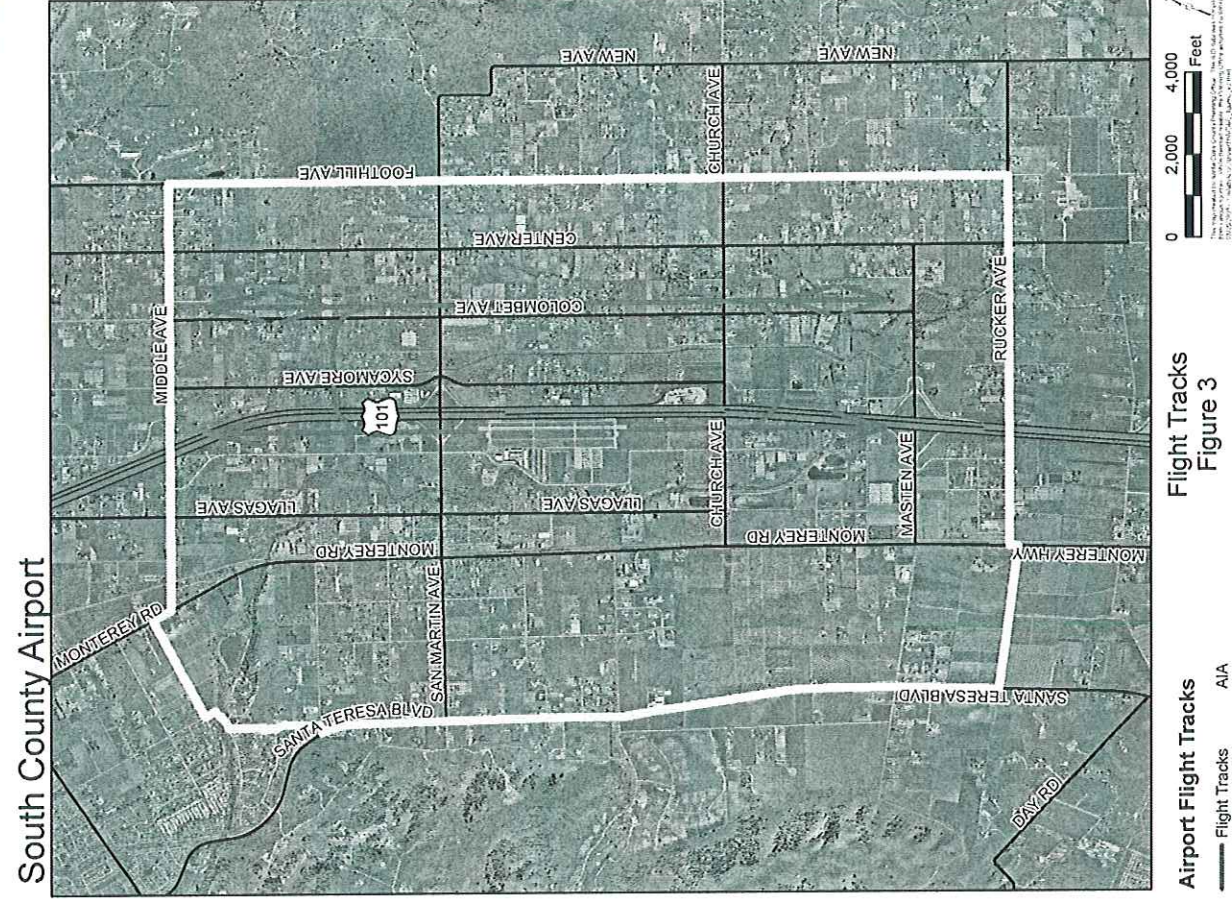
1. If you plan to do a substantial modification to your home, you would be required to grant an “Avigation Easement” to the County
2. If you sell your home, the new buyer will be advised that your home is located in the “Airport Influence Area” .

South County Airport Influence Area

South County Airport

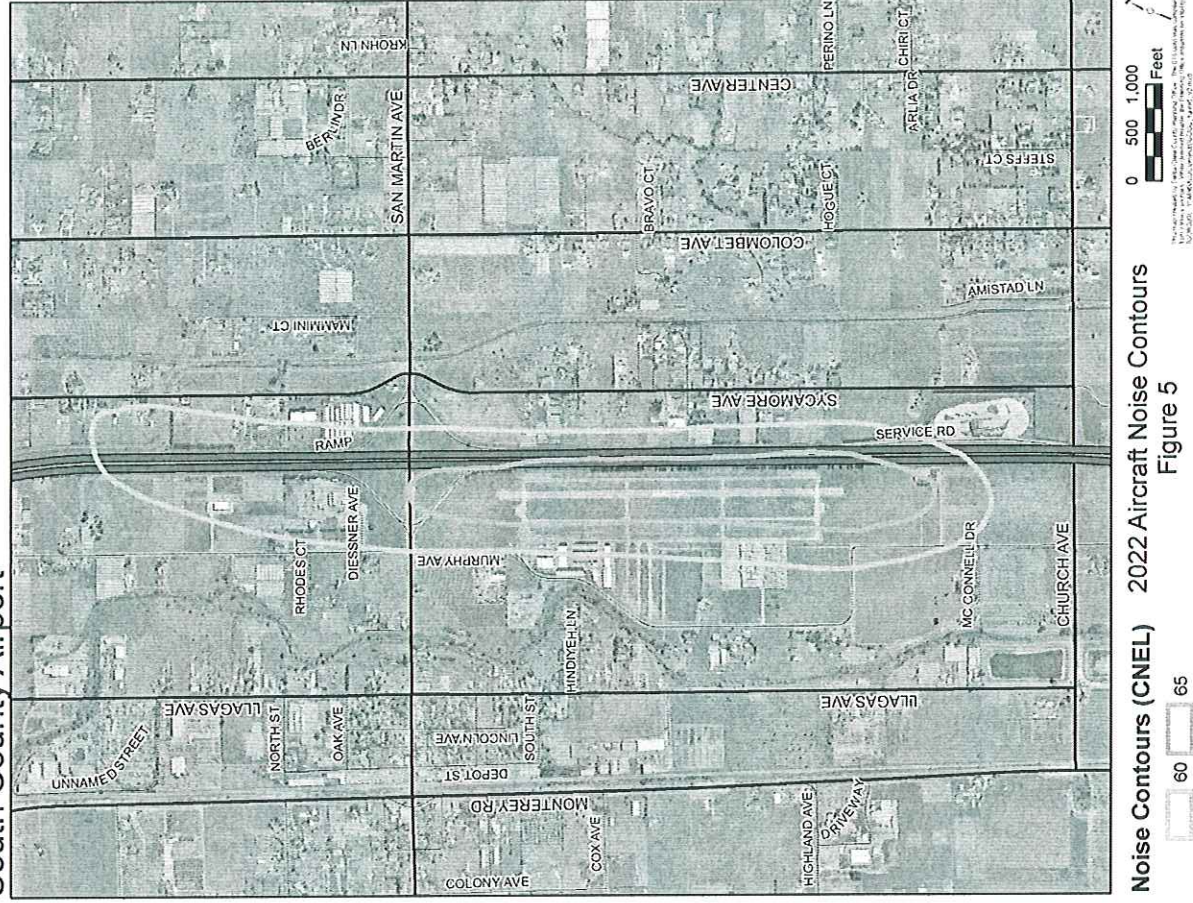


South County Airport Typical Flight Tracks



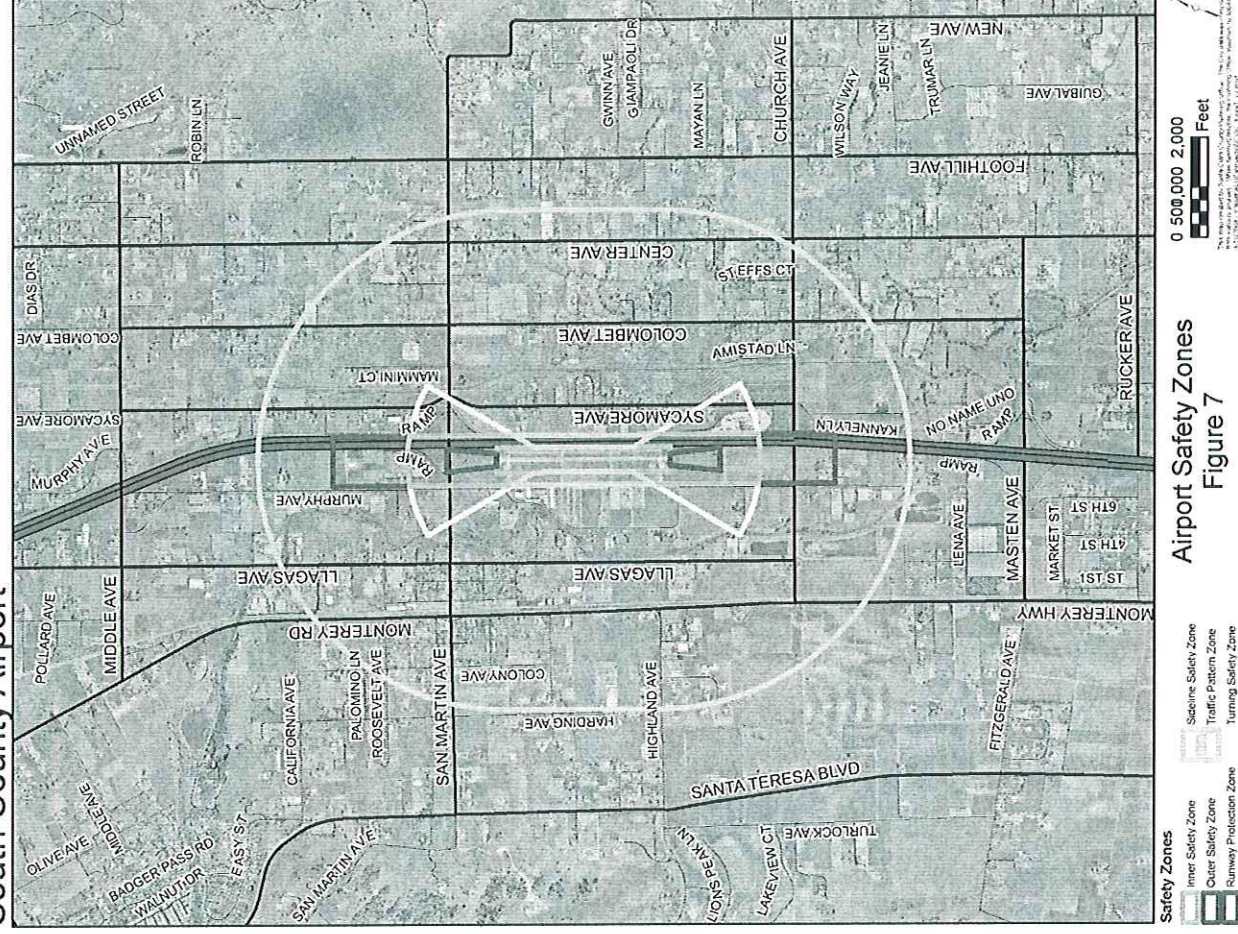
South County Airport Noise Contours

South County Airport



South County Airport Safety Zones

South County Airport



Airport Safety Zones
Figure 7



MEMORANDUM

To: PLANNING COMMISSION

Date: September 9, 2008

From: COMMUNITY DEVELOPMENT DEPARTMENT

**Subject: CONDITIONAL USE PERMIT APPLICATION,
UP-08-07: SPRING – MT. HOPE CEMETERY**

REQUEST

The applicant is requesting approval of a conditional use permit to expand the existing 5.4-acre Mt. Hope Cemetery to approximately 11 acres in size.

RECOMMENDATION

Reopen public hearing and table item.

BACKGROUND

The proposed project is a request to operate and expand an existing cemetery in the City of Morgan Hill. This item was first advertised for public hearing for July 22, 2008. A number of nearby residents attended the July 22 meeting and expressed their concerns regarding the condition of the existing cemetery and the proposed plans for expansion. The Commission also had a number of questions for the applicant. Unfortunately, neither the applicant nor a project representative was present at the meeting to answer questions from the Commission. As a result, the Commission continued the item to the first meeting in September (Sept. 9). The Commission asked that the applicant be present at the September 9 meeting and be prepared to address the issues raised by the neighbors.

CASE ANALYSIS

The applicant has been informed of the issues discussed at the July 22 meeting. Copies of the meeting minutes were provided to the applicant, as well as the link for viewing the video footage on the City's website. Staff also met with the applicant to review the list of concerns expressed by the neighboring property owners. The applicant will attend the September 9 meeting but has

informed Staff of his intentions to withdraw his conditional use permit application. Therefore, Staff recommends tabling the item until such time the application is formally withdrawn or closed.

In the event the applicant decides to continue processing the use permit application, the applicant will be present at the meeting to address the questions and concerns of the Commission and surrounding neighbors. The Commission may then take one of the following actions:

1. Direct staff to revise the approval resolution in accordance with the discussions during the public hearing, and bring back the revised resolution on Consent Calendar for formal adoption at the September 23 Planning Commission meeting.
2. Table the item and request the applicant address the issues raised by the Commission and neighbors in writing. The item will then be re-advertised for public hearing upon receipt of the applicant's responses. (It has been the practice of the Commission to table items after it has been continued once previously.)
3. Direct staff to revise the resolution to approve only the existing cemetery with conditions.
4. Approve the private operation and expansion of the cemetery as requested by the applicant. Copies of the approval resolution from the July 22 meeting (with revisions) will be available for the Commission's adoption. Copies of the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program will also be available for the Commission adoption.

RECOMMENDATION

Based on the stated intentions of the applicant to withdraw the current use permit application, Staff recommends the Commission table the use permit application.

Should the applicant decide to continue processing the use permit application, it is recommended that the Commission take one of the actions listed above.



MEMORANDUM

To: PLANNING COMMISSION

Date: September 9, 2008

From: COMMUNITY DEVELOPMENT DEPARTMENT

**Subject: ACCELERATING PREVIOUSLY APPROVED HOUSING
PROJECTS**

REQUEST

A workshop on the issues, policies and options addressing the cost of below market rate (BMR) housing and other factors that contribute to the slowdown in the production of new homes in previously approved housing projects. The discussion will also include a review of the process for granting extensions of time. This item will also be discussed under the regular agenda as agenda item #3.

RECOMMENDATION

Discussion. The Planning Commission can elect to receive public comment at the September 9 workshop. A public hearing, scheduled for the September 23 meeting, will be an opportunity for public to provide comment on this matter.

BACKGROUND

At their August 27, 2008 meeting, the City Council considered a report from the City Manager on the underlying issues that keep approved housing projects from moving forward. The downturn in the housing market is a significant factor and because of the decline in the price of new homes, builders are finding it difficult to subsidize the cost of below market rate (BMR) units through the pricing of market rate units. After lengthy discussion, the Council voted to refer this item to the Planning Commission for recommendations. Per the Council's direction, City Staff has brought this to the Planning Commission, first as a workshop and then as a public hearing item on September 23. The Commission will vote on its recommendation at the September 23, 2008 Planning Commission meeting. The City Council has tentatively scheduled a workshop to receive the Commission's recommendations on Tuesday, October 7, 2008.

The purpose of the workshop is for the Commission to consider and recommend several options to address the cost of BMRs as well as other options to address the cost of housing production. One approach would be to defer the payment of all fees, including school impact fees if the School District agrees to close of escrow. This would reduce the financing cost to the homebuilder on all of the units, including market rate units. Another approach to close the gap on the cost of BMRs would be for the City's Redevelopment Agency to pay the Measure C fees other fee related costs for the BMRs. Homebuilders who spoke at the August 27 Council meeting would like the Commission and City Council to consider a 50 percent reduction in the number of committed BMR units in each development. Specifically, the 5 percent low and 8 percent median BMR commitment would be reduced to a 2 percent low and 4 percent median BMR commitment. The two and four percent BMR commitment would remain in effect for a two-year period or for a lesser period if new home prices return to 2006 levels. Another approach would be to consider a combination of the above and a lower percent reduction in BMRs. The workshop on September 9 will include a review of the policy options outlined in the attached Council memorandum.

Procedures for Approving Extensions of Time

In addition to the discussion on ways to accelerate the start of new home construction in approved housing projects, the Council would like the Commission to review the current process for granting exceptions to loss of building allocations and amending development schedules and development agreements. Under the current procedures, the Planning Commission approves a Development Schedule for each project with deadlines to submit for subdivision map, development agreement, zoning amendment approvals and deadlines to file a final map and apply for building permit. Each project's Development Agreement also has a deadline to commence construction. The progress of previously approved projects is monitored on a quarterly basis in a report to the Planning Commission and City Council. When projects are reported as behind schedule, staff notifies the developer in writing. Upon notification, if the developer determines that the project can no longer proceed according the approved development schedule, an application is filed to request either an exception to loss of building allocation (ELBA) or a request to amend the project development schedule (DSA) and development agreement (DAA). The ELBA or DSA/DAA may be granted if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation, such as a sewer moratorium, or extended delays in environmental reviews, delays not the result of developer inaction, or allotment appeals processing. While not technically a reason for granting an ELBA or DSA/DAA, the City Council has determined that the inability to obtain construction financing as a delay not due to developer inaction.

As part of the application for an ELBA or Development Schedule Amendment (DSA), the City Council is requesting more data and documentation to justify the time extensions being requested by developers. For example, if the delay is due the inability to obtain construction financing or because of the loss of financing, a letter from the bank or lender needs to be included with the applicant's written request. If the Water District is the cause of the delay, the applicant will need to obtain a letter from the Water District giving the reasons why their approval is being withheld.

When recommending an ELBA or approving a DSA, the Council would like staff and the Commission to consider shorter, more reasonable periods on the extensions, as opposed to the periods requested by the applicant. We should also be asking the applicant to explain how the public would benefit if the extension is granted. The Council will be expecting better justification and documentation from the homebuilders before approving future extensions of time.

Quarterly Review Monitoring

As part of the Quarterly Review process, the Council would like staff and the Commission to consider alternatives that would keep the project on schedule if the delay were due actions other than financing. For example, the recent Ginger-Walton project was delayed because the applicant was trying to obtain street right-of-way from a third party. In lieu of the committed right-of-way acquisition and improvements, the Commission should consider allowing the developer to complete the same level of street improvements in another location where right-of-way acquisition is not required, eliminating the source of the delay.

Attachments:

August 27, 2008 Council Report with Attachments.

R:\PLANNING\WP51\RDCS\MC\September 9 Workshop Memo.doc



CITY COUNCIL STAFF REPORT

MEETING DATE: AUGUST 27, 2008

ACCELERATING PREVIOUSLY APPROVED HOUSING PROJECTS

Agenda Item # 24

Submitted By:


City Manager

RECOMMENDED ACTION(S): 1) Review the attached background report; and
2) Establish a process for considering policy options to address the impact of Below Market Rate (BMR) requirements on the feasibility of approved housing projects.

EXECUTIVE SUMMARY: There are currently 888 housing units that have received Residential Development Control System (RDCS) allocations but which are not yet under construction. In the face of continuing declines in the market prices for housing, homebuilders will not move projects forward unless they can be assured that their costs will be recovered from sales. In some cases, homebuilders have decided to sell existing inventory of new homes at prices less than an amount originally projected in order to reduce ongoing losses, but new construction will be delayed until there are better prospects for recovering costs.

Although the costs of housing production have continued to increase, for many years the housing market experienced even greater increases in sales prices. Most recently, however, the housing market has experienced declining housing prices. When a project must be built in phases, homebuilders have “stranded costs” in land, public improvements, and financing that cannot be easily recovered in today’s housing market.

The costs of housing production include many factors. Most projects receiving RDCS allocations are required to produce some units that will be sold at regulated prices and made available to families with defined income limits. Those units are described as “below market rate” because the regulated prices are set at a level that is typically less than the cost to produce the unit and less than the price achievable if the unit was not subject to restrictions. Homebuilders consider the BMR requirement as a cost that must be recovered from the sales of the remaining unrestricted units.

To address the impact of the BMR requirements on housing production, the City Council recently made major revisions, most notably increasing the restricted sales prices by an average of 28%. Unsatisfied with those efforts, a group representing the home building industry sought to qualify an initiative to amend the RDCS to reduce the number of BMRs that would be required. They hoped to increase income from sales from the additional market rate units that would be made available.

Unfortunately, that effort misrepresented the social impacts of BMRs and included misleading and false claims about the actual number of BMR units required and produced in Morgan Hill.

Nonetheless, the BMR requirements do impose a cost on overall housing production, which in a declining market makes stalled projects harder to move forward. The Council should evaluate those costs and determine whether any further revisions would be appropriate.

The attached report analyzes the issues in greater detail, identifies a range of options that might be considered if further revisions are appropriate, and recommends a process for undertaking a policy review of these issues.



Memorandum

City Manager's Office

Date: August 22, 2008

To: Mayor and City Council

From: J. Edward Tewes, City Manager

Subject: Staff Analysis of Issues Impacting Housing Production in Morgan Hill

Mayor Tate has asked the Council to consider "the underlying issues that keep approved [housing] projects from moving forward...and to work with the community and the home-builders to consider how other revisions to the BMR requirements might address those underlying concerns." There are 888 units allocated under the Residential Development Control System (RDCS), which are yet to be built. (See Exhibit A.)

Completion of stalled housing projects is in the public interest. In addition to meeting the housing needs of the community and region, completion of projects would generate new revenue to support city services. Completion of projects would strengthen neighborhoods that are impacted by continuing disruption from construction activity. Completion of housing projects would also have a positive impact on economic development and retail growth.

This memorandum provides background, analysis and City staff perspective on the issues. Jim Rowe, the Planning Manager, and Garrett Toy, the Director of Business Assistance and Housing have contributed significantly to the staff report. During the past few weeks lenders, homebuilders and others associated with the home building industry have provided valuable insights and data.

One of the things we learned is that, although the decline in the housing market has affected all projects, the impacts are not uniform. Each project is affected differently, because the financial structure of each project is different. Some projects are based on developing raw land that previously had no RDCS allocations and others on land that had already received allocations. Projects are bought and sold even before units are constructed and the terms of those transactions vary but are generally confidential.

The decline in the housing market in the Bay Area has also affected Morgan Hill. By some measures, the price of new homes peaked in 2006 and have declined over 30% in the last year

alone. It is clear that if the price of a house cannot recover the costs to produce it, the unit will not be built at all. Recent experience busts the myth that costs can be “passed on” to home buyers. As always, the market sets the price, not the costs.

This report will cover the following issues:

- The costs of housing production and the impact of housing market declines.
- The impact of BMR requirements on the costs of housing production.
- The impact of the City Council’s recent revisions to BMR requirements.
- Options to consider.
- A recommended public process.

The Cost of Housing Production

The cost to produce housing has continued to increase despite efficiencies in construction methods and “mass production.” The cost for new housing includes the following elements:

- Land
- Hard construction costs of lot preparation and the dwelling unit itself
- Public Improvements required by the Subdivision Map Act
- City and School Fees
- “Soft costs” including architectural, engineering and legal costs
- Financing Costs
- Marketing and Transaction costs

Land

Most housing projects are developed on “raw land” rather than on redevelopment sites. Homebuilders buy or option land and then apply for allocations under the City’s Residential Development Control System. In an unconstrained, highly competitive real estate market, the price of land would vary with the market for the finished product, the price of the house. Land is only “worth” what it can produce so, if other costs go up relative to the market sales price of a house, land prices would be adjusted downward.

That is not what happens in Morgan Hill. Because of RDCS, the market for land is constrained, and land sellers are typically willing to “wait for the market to turn.”

City government influences the value of raw land through decisions about zoning, density, and public improvement standards.

Hard Construction Costs

The market for labor to actually build houses is somewhat competitive especially in a slow economy, but raw material costs are often impacted by global markets. The City recently revised the RDCS to provide incentives for “green building” practices. Some homebuilders have estimated the increased costs of those requirements to be \$20,000 per unit, but the real impact is not yet known. In any event, the costs are borne by the homebuilders. Home buyers will experience savings in operating and maintenance costs, but it is far from clear how that increased value will affect the price of a house. The impact of regional competition for housing and availability of mortgage money will likely have a more significant impact on what home buyers are willing to pay.

Public Improvements

Housing projects that require the subdivision of land generally have public improvement costs and are required to dedicate public streets and utility easements. City government affects those costs by establishing standards for the amount of land to be dedicated and the quality of the public improvements themselves. Homebuilders speak of the “yield” of a tract of land as the number of units that can be developed after taking into account dedication of public right of way.

In recent years, Morgan Hill has revised street standards, parkway tree planting standards, and other “costs,” but continues to have high quality standards to minimize taxpayer obligations for future operations and maintenance of those facilities.

As shown on Exhibit B, each project varies in the cost of providing public improvements. The costs of concrete, asphalt, steel, pipes, pumps and landscaping continue to increase. A sample of recent projects show that such costs range from \$65,000 per acre to \$157,000 per acre. The average of the sampled projects is about \$111,000 per acre.

Soft Costs

Homebuilders have to pay architects and engineers to design the houses, lots and public improvements. Soft costs also include the costs of permits and inspections.

In Morgan Hill, RDCS applications are only accepted if a project is consistent with the General Plan. The costs of “entitlements” include application fees and consultant fees paid by developers to process the necessary zoning and general plan designations. Architectural review of building design includes application fees that must be paid.

There is also a fee to cover the staff costs to review and score the RDCS applications themselves.

Financing Costs

Homebuilders are in a business that requires up front capital and the ability to delay a return on that capital for the time it takes to build, market and sell a house. Homebuilders typically borrow from a bank or other institutional lender for most of the costs. Equity contributions vary but were typically in the range of 15% to 25% of project costs for the stalled projects. The costs of financing include the interest rate on the amount borrowed, but most importantly the “cost to carry” or the interest payments that must be made during the period of construction and marketing prior to sale.

The “cost to carry” is one of the most significant costs for currently approved but uncompleted housing projects. The costs to develop lots and install public improvements are paid with debt that cannot be repaid until a house can be sold. If the actual house will not sell at a price that can recover total costs, it will not be built; and yet the cost to pay monthly interest costs on previously incurred project costs continues to mount. This explains the urgency with which homebuilders have pressed their case for cost relief. If approved projects can be made feasible in the light of today’s housing market, they can “stop the clock” on continuing interest payments.

City and School Fees

In addition to processing and permit fees, housing projects also pay development impact fees (required by ordinance) and “Measure C” fees (as an incentive to gain points in the competition).

Impact Fees are established under state law to mitigate the impact of new development on the existing community. Impact fees pay for improvements to the network of citywide streets, parks and public facilities that are needed to accommodate new growth without diminishing service levels to the existing community. Together, City impact fees add about \$25,000 to the cost of producing a dwelling unit.

Measure C fees are paid pursuant to the incentives established by resolution for each RDCS competition. To maximize points, projects often commit to pay “double park fees” or to install off site public improvements. Those commitments for current projects are shown on Exhibit C. They generally range from \$9,900 to \$13,300 per unit, although some projects commit even more in order to improve their competitiveness.

The standards and criteria for the periodic RDCS competitions are reviewed by a subcommittee of the Planning Commission, which invites homebuilder input. Homebuilders typically ask for limitations on the incentive fees or to revise the points to reduce the costs of producing housing units.

Marketing and Other Costs of Sale

In a “hot market”, the costs to acquire new customers are much less than in a slow market such as we are experiencing today. To sell existing inventory, homebuilders spend more on signs, ads and buyer incentives. We believe that there are about 25 units of new detached housing in the builders’ inventory that have not been sold as of this report. Some inventory has been converted to rental units.

If total costs cannot be recovered, projects will not be built. Reducing costs can help “move approved projects forward” but there is no guarantee that any single project can be made feasible simply by adjusting costs. The decline in housing prices is so significant that some projects may remain infeasible until the market rebounds. Projects with stranded costs may not be able to survive with their current ownership and financial structure. In some cases, reducing costs means that projects can “hang on” a little bit longer while paying the carrying costs of financing in anticipation of a market rebound.

The Impact of BMR Requirements on the Cost of Producing Housing

The elements of the direct and indirect costs to actually produce a below market rate unit are described above. Nonetheless, homebuilders consider the BMR requirement to be a “cost” because the income from the sale of the unit is less than the total of the other costs to produce it. The amount by which the sales price falls short is considered a cost of producing market rate units since only they have the potential to generate sufficient income to pay for the project.

In discussions with individuals in the homebuilder community, we heard suggestions that the shortfall could be as much as \$100,000 to \$270,000 per BMR unit even after the recent revisions adopted by Council. In preparing their financial analyses for lenders and investors, homebuilders will add up the “losses” and assign them to the remaining market rate units. In the typical case of approved projects, there are almost 7 times as many market rate units as BMRs in a project. For example, a shortfall of \$150,000 for one BMR is divided among the remaining seven units for a “cost per market rate unit” of about \$21,400.

The homebuilders proposed in their initiative measure and in subsequent discussions that the number of BMRs be reduced. This has the double effect of reducing the “cost” to produce a market rate house, and it increases slightly the number of market rate houses that can be produced and sold.

The Impact of Council’s Recent Revisions to the BMR Program

In the span of six (6) months, the Council increased the allowed price for sale of BMR units. Cumulatively, those decisions increased prices, and therefore increased sales income to the homebuilder. If the average price increase was \$75,000 per BMR unit, then from the

homebuilders' perspective, the Council reduced the cost of producing a market rate unit by \$10,700.

The Council also reduced the number of BMR units for the next RDCS competition whose applications are due on October 1, 2008. Other changes were made to the mix of income types to be served by the BMR units. However, those changes were prospective and did not change the requirements for previously approved projects.

Even the RDCS allocation for "on going projects" would require recipients of those allocations to abide by their prior BMR requirements.

The failed initiative would have reduced BMR requirements "going forward" and directed the Council to amend existing development agreements to apply reduced requirements retroactively as well.

It is important to recognize that during the current housing market decline, homebuilders are more interested in options that reduce BMR requirements than they are in recovering the costs of producing a BMR unit. For every one fewer BMR unit, there is one more market rate, "profit producing" unit available. The incentive to reduce BMR requirements is greater for those projects that had promised the most in order to receive any RDCS allotments at all.

Nonetheless, the number of BMRs is a public policy choice based on the General Plan and the Housing Element.

Projects that may be proposed for the upcoming RDCS competition should be evaluated by their sponsors in the light of the established requirements. If projects are not feasible under those requirements, then they should not apply. If commitments are made in order to enhance a project's competitiveness, those commitments should be adhered to. For the RDCS system to work as intended, all projects should compete based on uniform requirements with the expectation that if allocations are awarded they will be built. It is only the extraordinary decline in the overall housing market that gives rise to the review of previously approved projects.

Policy Options

If the Council is interested in making revisions to the BMR requirements in order to move approved projects forward there appear to be two basic approaches:

- Narrow the gap between the cost to produce a BMR and the restricted sales price
- Reduce the number of BMRs required by approved Development Agreements.

Narrow the Gap Options

The Council has already adopted a “narrow the gap” option by increasing the allowed sales prices as shown on Exhibit D. Exhibit E shows that 43 BMR units are owed by for-profit developers of “stalled” projects. The City staff analysis is that your decision increased income to those homebuilders by about \$2,800,000 if all 43 BMRs owed were constructed and sold at the current BMR pricing levels. The impact of this decision on approved projects would decrease “BMR costs per market rate unit” by about \$5,000 per unit (based on 537 market rate units yet to be constructed).

We believe that there is no further room to increase the allowable prices, since the new prices have been set at the upper range of the allowable income of families for which the BMR program is targeted. However, there are opportunities for further cost reductions, all with consequences for other programs.

Examples of other cost reductions include lower construction quality standards for BMRs; smaller BMR units; lower traffic standards leading to lower impact fees; lower parks standards leading to lower park impact fees; or lower incentives for “Measure C” fees.

Another policy approach is to narrow the gap by having the Redevelopment Agency pay a portion of the costs. Rather than “waive” fees for example, the RDA could pay certain fees for BMR units. The revenue from impact fees and RDCS incentive fees are used for important public purposes and thus elimination would have other effects on the City’s Budget.

RDA could also “buy” a BMR unit at the actual cost of production and then sell the unit to a qualified buyer at the restricted prices. The difference would be a housing subsidy provided by the RDA. This could be at least \$100,000 per BMR. An administrative challenge to this option would be the need to arrive at a verifiable way to substantiate “actual costs” of production. Further, any option involving expenditure of RDA funds should be evaluated in the light of options for other approaches to using RDA funds to meet housing needs. How much subsidy is required? Is it reasonable, considering the alternatives?

Options to Reduce the Number of BMRs

Since November 2007, the Council has been debating the number of BMRs that should be required to achieve maximum points in the RDCS competition. For most approved projects, the requirement was that 8% of their project provide BMR units for median income families and 5% of their project provide BMR units for low income families.

The Council determined that for future projects, the overall requirement would be reduced to 10% with different approaches to income types. (See Exhibit F for the standards for the next RDCS competition.)

The failed initiative purported to reduce the requirement to 5% of units, but would have allowed projects to receive maximum points for units that were not truly affordable under State guidelines or under the City's Housing Element.

In the light of the Judge's ruling to remove the initiative from the ballot, a group of homebuilders has proposed that existing development agreements be amended to reduce the requirements for a period of three (3) years. They propose a requirement of 4% median income units and 2% low-income units. This would essentially cut the requirements in half for existing projects, but the impact varies project by project since each made different commitments in order to achieve sufficient points to be awarded allocations.

Reducing the BMR requirement is the preferred approach by homebuilders because it eliminates the shortfall on the sale of BMR units and increases the potential for profitable market rate units. Those homebuilders who committed to a higher proportion of low-income BMR units are especially interested in reducing the commitment.

To quantify the benefits of their proposal to builders, staff cut the median units owed for all projects in half from 21 to 10.5 units and the total low units owed from 22 to 11 units. Our analysis indicates that builders would save about \$3.2 million in "costs" if they did not have to build 21.5 BMR units. This is based on the assumption that there is a \$150,000 shortfall between the cost to produce a unit and the restricted sales price. Under this scenario, builders would be able to construct a market rate unit in place of a BMR unit. If a builder earned \$100,000 in profit on the sale of a market rate unit, builders would gain about \$2,150,000 in additional profits related to a 21.5 unit reduction in BMR units. The bottom line is that by reducing the BMR requirement, builders would receive a multi-million dollar benefit depending on their project size and unit type.

Our City staff analysis suggests that this approach would reduce the costs of producing BMRs by \$10,700 per remaining market rate unit (558.5 units) because the proposal would allow additional market rate units to be sold.

Reducing BMRs required of market rate developments places a greater burden on other housing programs to meet the housing needs of the community. However, if the reductions are for only approved projects, the impact is known and quantifiable. Under the homebuilder proposal, instead of providing 22 median units and 21 low-income units, they would provide 11 and 10.

Other combinations of reduced requirements are possible, with resulting impacts on the ability to achieve housing goals. For example, the commitments of existing projects could be both reduced to 10% and fulfilled by units affordable to median to moderate family incomes. That would both reduce the number of BMRs and narrow the gap between costs of production and sales price.

Recommended Public Process

In asking the Council to review these issues, Mayor Tate expressed his intent to work both “with the community and the homebuilders.”

Options for the Council to consider:

- Delaying action until there is a noticed public hearing.
- Requesting review of options and recommendations from any or all of:

The Council’s Community and Economic Development Committee.

The Planning Commission.

The Housing Element Update Task Force.

If there is Council interest in revising to the BMR requirements in order to move projects forward, then decisions should be made soon. We believe that the work of the Housing Element Task Force is already significant and taking up any retroactive adjustments would be a diversion from their tight timetable. Nonetheless, the Task Force will have significant impact on the larger policy issues of the extent to which the City’s housing strategy should rely on RDCS incentives to provide BMR units in market rate projects.

The Planning Commission regularly reviews the standards and criteria for RDCS applications and monitors progress. If a project is “behind schedule” then it is either scheduled for a hearing to revoke its allocations, or scheduled for an amendment to the development agreement to extend the allowable time. Nearly all currently approved projects have sought extensions of time, and the Planning Commission has raised concerns about just how many extensions are appropriate. Input from the Planning Commission on both the type of modifications that might be made and for what period of time would be useful.

The Council has relied on its policy subcommittees to delve into the details of policy options and make recommendations. The most recent revisions were reached after considering the policy recommendations from the Community and Economic Development Committee.

The threshold question for the full City Council is: Do you want to entertain any further revisions to the BMR requirements in order to move currently approved projects forward? If, in your judgment, no further revisions are appropriate or likely to have any significant impact, then it makes no sense to launch a process to review options.

However, if you wish to seek additional input and analysis, then the following approach is recommended:

Council refers this report and the issues concurrently to the Planning Commission and the Community and Economic Development Committee.

The Planning Commission be directed to provide an opportunity for public input and give the Council its perspective and recommendations within 30 days.

The Community and Economic Development Committee to provide its policy analysis and recommendations within 45 days (allowing for a review of the Planning Commission report).

Schedule a noticed public hearing in mid November 2008 to consider amendments to the Development Agreements of currently approved projects.

List of Exhibits

Exhibit A – Approved Distribution of Building Allotments for Fiscal Years 2008-09, 2009-10, 2010-11

Exhibit B – Residential Development Public Improvement Cost per Acre by Tract

Exhibit C – Measure C Development Commitments for Public Improvements

Exhibit D – Below Market Rate (BMR) Units for Sale

Exhibit E – Approved Projects with Future BMR Commitments/Obligations

Exhibit F – Market Rate for Sale Competition

*Approved Distribution of Building Allotments for Fiscal Years
2008-09, 2009-10, 2010-11*

Project/Competition Type	FY 2008-09	FY 2009-10	FY 2010-11	Total
Micro:				
Del Monte - Giovanni (MMC-04-05)	6			6
Ginger - Custom One (MMC-04-07)		5		5
E. Dunne - Kruse (MMC-04-10)		3		3
Taylor-Murray (MMC-04-09)	5			5
Myrtle-Latala (MMC-07-03)		3		3
Small:				
San Pedro - Alcini (MC-04-17)	12			12
Wright - Dividend (MC-04-27)			15	15
Open Market:				
Tilton - Glenrock/Shea (MP-02-03)	47			47
Diana - Chan (MC-04-04)	18	14		32
E. Dunne - Dempsey/Delco (MC-04-12)		14		14
Barrett - Odishoo (MC-04-13)	18			18
Central - Hu (MC-04-14)		5	15	20
Church - Alcini (MC-04-15)	14			14
E. Main Thrust (MC-04-19)		18	16	34
Barrett - Syncon Homes (MC-04-21)	13	19		32
Jarvis - South Valley Dev (MC-04-22)	36	42		78
Peet - Lupine Investors (MC-04-25)	18	18		36
Mission View - Mission Ranch (MC-04-26)	17	33		50
Vertical Mixed Use:				
Monterey-Sherman House(MC-05-04)	7			7
Depot - The Granary (MC-05-12)		12		12
Monterey - Gunter (MC-05-03)		4	11	15
Affordable:				
Jarvis-So County Housing (MC-05-02)	54	41		95
E. Central-Urban Housing (MC-05-09)	12	37		49
Downtown Open Market:				
Monterey-Alcini (MC-05-05)	27			27
Diana-EAH (MC-05-08)	10	70		80
E. Main-Ahlin (MC-05-06)	50	49		99
E. Third-Glenrock (MC-05-11)	14	43		57
Monterey - Sherman House (MF-07-01)		23		23
Totals	378	453	57	888

Based on Planning Commission Recommendations as of July 22, 2008

EXHIBIT B

Residential Development Public Improvement Cost per Acre by Tract

Tract	Name	Public Improvement Cost	Acres	Cost Per Acre
9587	San Pedro Villas Phase I	\$120,663	0.878	\$137,353
9640	San Pedro Villas Phase II	\$670,778	4.678	\$143,390
9695	San Pedro Villas Phase III			
9578	Alicante Phase I	\$1,435,929	17.534	\$81,894
9603	Alicante Phase II	\$422,546	6.515	\$64,853
9689	Alicante Phase IIIA	\$1,465,908	15.680	\$93,489
9641	Pear Tree Estates	\$726,821	8.289	\$87,685
9716	The Ranch at Alicante	\$1,435,042	13.657	\$105,077
9732	Jasper Park Phase I	\$943,730	6.906	\$136,649
9772	Jasper Park Phase II			
9842	Jasper Park Phase III			
9860	Jasper Park Phase IV			
9767	Villas San Marcos Phase I	\$1,036,093	7.060	\$146,755
9791	Viento Phase I	\$1,277,955	8.150	\$156,803
9804	Viento Phase II			
9984	Viento Phase III			
9919	Capriano Phase 8	\$1,322,599	8.400	\$157,452
9942	Capriano Phase 9 & 10			
TOTALS		\$10,858,064	97.748	\$111,082

EXHIBIT C

MEASURE C DEVELOPER COMMITMENTS FOR PUBLIC IMPROVEMENTS

Project	Project Information						Total Units		Park AC# 302-37649		Pedestrian Safety AC# 355-37655		Storm Drain AC# 304-37649		CIP AC# 346-37649		Public Facilities AC# 346-37649		Circulation AC# 346-37649		Livable Community AC# 346-37649		Totals
LEGEND: BLACK: Collected Fee. BLUE: Fee to be collected per recordation of map's phase. RED: Fee credit issued for approved public improvements. GREEN: Projected collected fee once last (phase) map is recorded.																							
AHMADI TOWNHOMES	DA-05-12	ASD-05-13	MMC-04-06	PR0624	PM		2006-07	1	\$6,600.00	\$6,600.00	\$3,300.00	\$3,300.00	\$1,100.00	\$1,100.00		\$0.00	\$5,655.00	\$5,655.00		\$0.00		\$0.00	\$16,655.00
San Pedro Avenue - Ahmadi										\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
Approved Public Improvement Cost							2006-07	1		\$0.00		\$0.00		\$0.00		\$0.00	(\$5,655.00)	(\$5,655.00)		\$0.00		\$0.00	(\$5,655.00)
										\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
Total										\$6,600.00		\$3,300.00		\$1,100.00		\$0.00		\$0.00		\$0.00		\$0.00	\$11,000.00
ALICANTE ESTATES	DAA-03-12	SD-03-13		PR0418	9578	1	2004-05	22		\$0.00	\$3,000.00	\$66,000.00	\$1,000.00	\$22,000.00	\$2,000.00	\$44,000.00	\$2,000.00	\$44,000.00	\$2,000.00	\$44,000.00		\$0.00	\$220,000.00
Peet Rd - Alicante			MP-02-12	PR0448	9603	2	2005-06	19		\$0.00	\$3,000.00	\$57,000.00	\$1,000.00	\$19,000.00	\$2,000.00	\$38,000.00	\$2,000.00	\$38,000.00	\$2,000.00	\$38,000.00		\$0.00	\$190,000.00
(Peet-Lupine Investors)			MP-02-12	PR0530	9689	3A	2006-07	12		\$0.00	\$3,000.00	\$36,000.00	\$1,000.00	\$12,000.00	\$2,000.00	\$24,000.00	\$2,000.00	\$24,000.00	\$2,000.00	\$24,000.00		\$0.00	\$120,000.00
(Peet-Lupine Investors)	DA-05-02	SD-05-02	MC 04-25	PR0636	9823	3B	2006-07	18		\$0.00	\$3,300.00	\$59,400.00	\$1,100.00	\$19,800.00	\$2,200.00	\$39,600.00	\$2,200.00	\$39,600.00	\$2,200.00	\$39,600.00		\$0.00	\$198,000.00
			MC 04-25				2007-08	6		\$0.00	\$3,300.00	\$19,800.00	\$1,100.00	\$6,600.00	\$2,200.00	\$13,200.00	\$2,200.00	\$13,200.00	\$2,200.00	\$13,200.00		\$0.00	\$66,000.00
			MC 04-25				2008-09	12		\$0.00	\$3,300.00	\$39,600.00	\$1,000.00	\$12,000.00	\$2,200.00	\$26,400.00	\$2,200.00	\$26,400.00	\$2,200.00	\$26,400.00		\$0.00	\$130,800.00
Approved Public Improvement Cost						1	2004-05	22		\$0.00		\$0.00		\$0.00		\$0.00	(\$2,000.00)	(\$44,000.00)	(\$2,000.00)	(\$44,000.00)		\$0.00	(\$88,000.00)
						2	2005-06	19		\$0.00		\$0.00		\$0.00		\$0.00	(\$2,000.00)	(\$38,000.00)	(\$2,000.00)	(\$38,000.00)		\$0.00	(\$76,000.00)
						3A	2006-07	12		\$0.00		\$0.00		\$0.00		\$0.00	(\$2,000.00)	(\$24,000.00)		\$0.00		\$0.00	(\$24,000.00)
						3A	2006-07			\$0.00		\$0.00		\$0.00		\$0.00			(\$2,073.00)		\$0.00		(\$2,073.00)
						3B	2006-07	18		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
							2007-08	6		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
							2008-09	12		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
Total									\$0.00			\$277,800.00		\$91,400.00		\$185,200.00		\$79,200.00		\$101,127.00		\$0.00	\$734,727.00
CAPRIANO	DA-04-08	SD-04-08	MP-02-03	PR0524	9723	7A	2005-06	24		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$3,000.00	\$72,000.00		\$0.00	\$72,000.00
Hale Avenue - Glenrock			MP-02-03	PR0542	9771	7B	2005-06	10		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$3,000.00	\$30,000.00		\$0.00	\$30,000.00
(Tilton - Glenrock)			MP-02-03	PR0714	9919	8	2006-07	20		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$3,000.00	\$60,000.00		\$0.00	\$60,000.00
			MP-02-03	PR0726	9942	9	2007-08	15		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$3,000.00	\$45,000.00		\$0.00	\$45,000.00
			MP-02-03	PR0726	9942	10	2008-09	12		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$3,000.00	\$36,000.00		\$0.00	\$36,000.00
Approved Public Improvement Cost						7A	2005-06	24		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	(\$3,000.00)	(\$72,000.00)		\$0.00	(\$72,000.00)
						7B	2005-06	10		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	(\$3,000.00)	(\$30,000.00)		\$0.00	(\$30,000.00)
						8	2006-07	20		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	(\$3,000.00)	(\$60,000.00)		\$0.00	(\$60,000.00)
						9	2007-08	15		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	(\$3,000.00)	(\$45,000.00)		\$0.00	(\$45,000.00)
						10	2008-09	12		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	(\$3,000.00)	(\$36,000.00)		\$0.00	(\$36,000.00)
Total									\$0.00			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
COYOTE ESTATES	DAA-03-10	SD-03-11		PR0506	9680	10	2005-06	19		\$0.00	\$3,000.00	\$57,000.00	\$1,000.00	\$19,000.00	\$1,000.00	\$19,000.00		\$0.00		\$0.00		\$0.00	\$95,000.00
Cochrane - Coyote Estates			MP-02-14	PR0532	9735	11	2006-07	20		\$0.00	\$3,000.00	\$60,000.00	\$1,000.00	\$20,000.00	\$1,000.00	\$20,000.00		\$0.00		\$0.00		\$0.00	\$100,000.00
Approved Public Improvement Cost						10	2005-06	19		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
						11	2006-07	20		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
Total									\$0.00			\$117,000.00		\$39,000.00		\$39,000.00		\$0.00		\$0.00		\$0.00	\$195,000.00
GIOVANNI, LANDS OF	DA-05-09	SD-05-11	MMC-04-05	PR0734	TBD	1	2006-07	6	\$6,600.00	\$39,600.00	\$3,300.00	\$19,800.00	\$1,100.00	\$6,600.00	\$0.00	\$0.00	\$4,400.00	\$26,400.00		\$0.00		\$0.00	\$92,400.00
Del Monte - Giovanni									\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
Approved Public Improvement Cost							2006-07	6		\$0.00		\$0.00		\$0.00		\$0.00	(\$4,400.00)	(\$26,400.00)		\$0.00		\$0.00	(\$26,400.00)
									\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
Total									\$39,600.00	\$19,800.00		\$6,600.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$66,000.00
HUNTINGTON SQUARE	DA-06-05	SD-06-11	MC-05-06	PR0724	9941	1	2007-08	48	\$3,300.00	\$158,400.00	\$3,300.00	\$158,400.00	\$1,100.00	\$52,800.00	\$1,100.00	\$52,800.00	\$4,400.00	\$211,200.00	\$2,200.00	\$105,600.00	\$1,100.00	\$52,800.00	\$792,000.00
(Main - Ahlin)					9941	1	2007-08	2	\$3,300.00	\$6,600.00	\$3,300.00	\$6,600.00	\$1,100.00	\$2,200.00	\$1,100.00	\$2,200.00	\$4,400.00	\$8,800.00	\$2,200.00	\$4,400.00	\$1,100.00	\$2,200.00	\$33,000.00
							2008-09	43	\$3,300.00	\$141,900.00	\$3,300.00	\$141,900.00	\$1,100.00	\$47,300.00	\$1,100.00	\$47,300.00	\$4,400.00	\$189,200.00	\$2,200.00	\$94,600.00	\$1,100.00	\$47,300.00	\$709,500.00
Main Street - Huntington Square LLC							2008-09	6	\$3,300.00	\$19,800.00	\$3,300.00	\$19,800.00	\$1,100.00	\$6,600.00	\$1,100.00	\$6,600.00	\$4,400.00	\$26,400.00	\$2,200.00	\$13,200.00	\$1,100.00	\$6,600.00	\$99,000.00
Approved Public Improvement Cost						1	2007-08	48		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
									\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00.	

MEASURE C DEVELOPER COMMITMENTS FOR PUBLIC IMPROVEMENTS

Project	Project Information						Total Units		Park AC# 302-37649		Pedestrian Safety AC# 355-37655		Storm Drain AC# 304-37649		CIP AC# 346-37649		Public Facilities AC# 346-37649		Circulation AC# 346-37649		Livable Community AC# 346-37649		Totals
LEGEND:																							
BLACK:	Collected Fee.																						
BLUE:	Fee to be collected per recordation of map's phase.																						
RED:	Fee credit issued for approved public improvements.																						
GREEN:	Projected collected fee once last (phase) map is recorded.																						
JASPER PARK	DA-04-09	SD-04-17	MC-02-06	PR0526	9732	1	2005-06	8	\$8,576.00	\$68,608.00	\$3,000.00	\$24,000.00	\$1,000.00	\$8,000.00	\$1,000.00	\$8,000.00	\$8,642.18	\$69,137.47		\$0.00		\$0.00	\$177,745.47
East Dunne Ave- Delco (DeNova)			MC-04-12	PR0604	9772	2	2006-07	13	\$3,300.00	\$42,900.00	\$3,300.00	\$42,900.00	\$1,100.00	\$14,300.00	\$1,100.00	\$14,300.00	\$8,642.18	\$112,348.39		\$0.00		\$0.00	\$226,748.39
			MC-04-12	PR0702	9842	3	2007-08	5	\$3,300.00	\$16,500.00	\$3,300.00	\$16,500.00	\$1,100.00	\$5,500.00	\$1,100.00	\$5,500.00	\$8,642.18	\$43,210.92		\$0.00		\$0.00	\$87,210.92
			MC-04-12	PR0714	9860	4	2008-09	8	\$3,300.00	\$26,400.00	\$3,300.00	\$26,400.00	\$1,100.00	\$8,800.00	\$1,100.00	\$8,800.00	\$8,642.18	\$69,137.47		\$0.00		\$0.00	\$139,537.47
			MC-04-12	PR0732	9937	5	2008-09	6															
Approved Public Improvement Cost						1	2005-06	8		\$0.00	(\$3,000.00)	(\$24,000.00)		\$0.00	(\$1,000.00)	(\$8,000.00)	(\$8,642.18)	(\$69,137.47)		\$0.00		\$0.00	(\$101,137.47)
						2	2006-07	13		\$0.00		\$0.00		\$0.00	(\$1,100.00)	(\$14,300.00)	(\$8,642.18)	(\$112,348.39)		\$0.00		\$0.00	(\$126,648.39)
						3	2007-09	5		\$0.00		\$0.00		\$0.00	(\$1,100.00)	(\$5,500.00)	(\$8,642.18)	(\$43,210.92)		\$0.00		\$0.00	(\$48,710.92)
						4	2008-10	8		\$0.00		\$0.00		\$0.00	(\$1,100.00)	(\$8,800.00)	(\$8,642.18)	(\$69,137.47)		\$0.00		\$0.00	(\$77,937.47)
						5	2008-10	6															
Total										\$154,408.00		\$85,800.00		\$36,600.00		\$0.00		\$0.00		\$0.00		\$0.00	\$276,808.00
MALLORCA	DA-05-07	SD-05-09	MC-04-27	PR0614	9803	1	2006-07	6	\$1,100.00	\$6,600.00	\$3,300.00	\$19,800.00	\$1,100.00	\$6,600.00	\$1,100.00	\$6,600.00	\$5,500.00	\$33,000.00	\$2,200.00	\$13,200.00	\$2,200.00	\$13,200.00	\$99,000.00
Wright Ave - Llagas Creek Inv., LLC (Wright - Dividend)					9803	1	2007-08	9	\$1,100.00	\$9,900.00	\$3,300.00	\$29,700.00	\$1,100.00	\$9,900.00	\$1,100.00	\$9,900.00	\$5,500.00	\$49,500.00	\$2,200.00	\$19,800.00	\$2,200.00	\$19,800.00	\$148,500.00
Approved Public Improvement Cost						1	2006-07	6		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
						1	2007-08	9		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
Total										\$16,500.00		\$49,500.00		\$16,500.00		\$16,500.00		\$82,500.00		\$33,000.00		\$33,000.00	\$247,500.00
MADRONE PLAZA - SVD	DA-05-13	SD-05-14	MC-04-22	PR0628	9819	1	2006-07	36	\$3,300.00	\$118,800.00	\$3,300.00	\$118,800.00	\$1,100.00	\$39,600.00	\$1,100.00	\$39,600.00	\$4,400.00	\$158,400.00	\$2,200.00	\$79,200.00	\$1,100.00	\$39,600.00	\$594,000.00
Jarvis - South Valley Developers						1	2007-08	13	\$3,300.00	\$42,900.00	\$3,300.00	\$42,900.00	\$1,100.00	\$14,300.00	\$1,100.00	\$14,300.00	\$4,400.00	\$57,200.00	\$2,200.00	\$28,600.00	\$1,100.00	\$14,300.00	\$214,500.00
						1	2008-09	15	\$3,300.00	\$49,500.00	\$3,300.00	\$49,500.00	\$1,100.00	\$16,500.00	\$1,100.00	\$16,500.00	\$4,400.00	\$66,000.00	\$2,200.00	\$33,000.00	\$1,100.00	\$16,500.00	\$247,500.00
						1	2009-10	14	\$3,300.00	\$46,200.00	\$3,300.00	\$46,200.00	\$1,100.00	\$15,400.00	\$1,100.00	\$15,400.00	\$4,400.00	\$61,600.00	\$2,200.00	\$30,800.00	\$1,100.00	\$15,400.00	\$231,000.00
Approved Public Improvement Cost						1	2006-07	36		\$0.00		\$0.00		\$0.00	(\$1,100.00)	(\$39,600.00)	(\$4,400.00)	(\$158,400.00)	(\$2,200.00)	(\$79,200.00)	(\$1,100.00)	(\$39,600.00)	(\$316,800.00)
						1	2007-08	13		\$0.00		\$0.00		\$0.00	(\$1,100.00)	(\$14,300.00)	(\$4,400.00)	(\$57,200.00)	(\$2,200.00)	(\$28,600.00)	(\$1,100.00)	(\$14,300.00)	(\$114,400.00)
						1	2008-09	15		\$0.00		\$0.00		\$0.00	(\$1,100.00)	(\$16,500.00)	(\$4,400.00)	(\$66,000.00)	(\$2,200.00)	(\$33,000.00)	(\$1,100.00)	(\$16,500.00)	(\$132,000.00)
						1	2009-10	14		\$0.00		\$0.00		\$0.00	(\$1,100.00)	(\$15,400.00)	(\$4,400.00)	(\$61,600.00)	(\$2,200.00)	(\$30,800.00)	(\$1,100.00)	(\$15,400.00)	(\$123,200.00)
Total										\$257,400.00		\$257,400.00		\$85,800.00		\$0.00		\$0.00		\$0.00		\$0.00	\$600,600.00
MADRONE PLAZA - SCH	DA-06-03	SD-06-06	MC-05-06	PR0708	9869	1	2007-08	26	\$3,300.00	\$85,800.00	\$3,300.00	\$85,800.00		\$0.00		\$0.00	\$4,400.00	\$114,400.00	\$2,200.00	\$57,200.00	\$1,100.00	\$28,600.00	\$371,800.00
Jarvis - South County Housing						1	2007-08	28	\$3,300.00	\$92,400.00	\$3,300.00	\$92,400.00		\$0.00		\$0.00	\$4,400.00	\$123,200.00	\$2,200.00	\$61,600.00	\$1,100.00	\$30,800.00	\$400,400.00
						1	2008-09	41	\$3,300.00	\$135,300.00	\$3,300.00	\$135,300.00		\$0.00		\$0.00	\$4,400.00	\$180,400.00	\$2,200.00	\$90,200.00	\$1,100.00	\$45,100.00	\$586,300.00
										\$20,691.00													\$20,691.00
Approved Public Improvement Cost						1	2007-08	26	(\$3,300.00)	(\$85,800.00)	(\$3,300.00)	(\$85,800.00)		\$0.00		\$0.00	(\$4,400.00)	(\$114,400.00)	(\$2,200.00)	(\$57,200.00)	(\$1,100.00)	(\$28,600.00)	(\$371,800.00)
						1	2007-08	28	(\$3,300.00)	(\$92,400.00)	(\$3,300.00)	(\$92,400.00)		\$0.00		\$0.00	(\$4,400.00)	(\$123,200.00)	(\$2,200.00)	(\$61,600.00)	(\$1,100.00)	(\$30,800.00)	(\$400,400.00)
						1	2008-09	41	(\$3,300.00)	(\$135,300.00)	(\$3,300.00)	(\$135,300.00)		\$0.00		\$0.00	(\$4,400.00)	(\$180,400.00)	(\$2,200.00)	(\$90,200.00)	(\$1,100.00)	(\$45,100.00)	(\$586,300.00)
										(\$20,691.00)													(\$20,691.00)
Total										\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00

MEASURE C DEVELOPER COMMITMENTS FOR PUBLIC IMPROVEMENTS

Project	Project Information						Total Units		Park AC# 302-37649		Pedestrian Safety AC# 355-37655		Storm Drain AC# 304-37649		CIP AC# 346-37649		Public Facilities AC# 346-37649		Circulation AC# 346-37649		Livable Community AC# 346-37649		Totals
LEGEND: BLACK: Collected Fee. BLUE: Fee to be collected per recordation of map's phase. RED: Fee credit issued for approved public improvements. GREEN: Projected collected fee once last (phase) map is recorded.																							
MISSION RANCH (Phase 7 up)	DAA-03-13	SD-03-14		PR0430	9602	7	2004-05	21		\$0.00	\$3,000.00	\$63,000.00	\$1,000.00	\$21,000.00	\$1,000.00	\$21,000.00	\$2,000.00	\$42,000.00	\$2,000.00	\$42,000.00		\$0.00	\$189,000.00
				PR0464	9657	8	2005-06	27		\$0.00	\$3,000.00	\$81,000.00	\$1,000.00	\$27,000.00	\$1,000.00	\$27,000.00	\$2,000.00	\$54,000.00	\$2,000.00	\$54,000.00		\$0.00	\$243,000.00
Cochrane Road - Mission Ranch LP				PR0602	9777	9A	2005-06	1		\$0.00	\$3,000.00	\$3,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00		\$0.00	\$9,000.00
				PR0602	9777	9A	2006-07	12		\$0.00	\$3,000.00	\$36,000.00	\$1,000.00	\$12,000.00	\$1,000.00	\$12,000.00	\$2,000.00	\$24,000.00	\$2,000.00	\$24,000.00		\$0.00	\$108,000.00
	DAA-05-01	SD-05-01		PR0602	9777	9A	2006-07	4		\$0.00	\$3,300.00	\$13,200.00	\$1,100.00	\$4,400.00	\$1,100.00	\$4,400.00	\$3,300.00	\$13,200.00	\$2,200.00	\$8,800.00		\$0.00	\$44,000.00
(Mission View - Mission Ranch)			MC-04-26	PR0634	9806	9B	2006-07	18		\$0.00	\$3,300.00	\$59,400.00	\$1,100.00	\$19,800.00	\$1,100.00	\$19,800.00	\$3,300.00	\$59,400.00	\$2,200.00	\$39,600.00		\$0.00	\$198,000.00
	DSA-07-02			PR0722	9810	10	2007-08	17		\$0.00	\$3,300.00	\$56,100.00	\$1,100.00	\$18,700.00	\$1,100.00	\$18,700.00	\$3,300.00	\$56,100.00	\$2,200.00	\$37,400.00		\$0.00	\$187,000.00
					9859	11	2008-09	18		\$0.00	\$3,300.00	\$59,400.00	\$1,100.00	\$19,800.00	\$1,100.00	\$19,800.00	\$3,300.00	\$59,400.00	\$2,200.00	\$39,600.00		\$0.00	\$198,000.00
						12	2009-10	15		\$0.00	\$3,300.00	\$49,500.00	\$1,100.00	\$16,500.00	\$1,100.00	\$16,500.00	\$3,300.00	\$49,500.00	\$2,200.00	\$33,000.00		\$0.00	
Approved Public Improvement Cost					9602	7	2004-05	21		\$0.00	(\$3,000.00)	(\$63,000.00)	(\$1,000.00)	(\$21,000.00)	(\$1,000.00)	(\$21,000.00)	(\$2,000.00)	(\$42,000.00)	(\$2,000.00)	(\$42,000.00)		\$0.00	(\$189,000.00)
					9657	8	2005-06	27		\$0.00		\$0.00		\$0.00		\$0.00	(\$2,000.00)	(\$54,000.00)	(\$2,000.00)	(\$54,000.00)		\$0.00	(\$108,000.00)
					9777	9A	2005-06	1		\$0.00		\$0.00		\$0.00		\$0.00	(\$2,000.00)	(\$2,000.00)	(\$2,000.00)	(\$2,000.00)		\$0.00	(\$4,000.00)
					9777	9A	2006-07	12		\$0.00		\$0.00		\$0.00		\$0.00	(\$2,000.00)	(\$24,000.00)	(\$2,000.00)	(\$24,000.00)		\$0.00	(\$48,000.00)
					9777	9A	2006-07	4		\$0.00		\$0.00		\$0.00		\$0.00	(\$3,300.00)	(\$13,200.00)	(\$2,200.00)	(\$8,800.00)		\$0.00	(\$22,000.00)
					9806	9B	2006-07	18		\$0.00		\$0.00		\$0.00	(\$1,100.00)	(\$19,800.00)	(\$3,300.00)	(\$59,400.00)	(\$2,200.00)	(\$39,600.00)		\$0.00	(\$118,800.00)
					9810	10	2007-08	17		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
					9859	11	2008-09	18		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
						12	2009-10	15		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
Total										\$0.00		\$357,600.00		\$119,200.00		\$99,400.00		\$165,000.00		\$110,000.00		\$0.00	\$686,200.00
PEAR TREE ESTATES	DA-04-04	SD-04-05	MP-02-17	PR0518	9641	1	2004-05	6	\$6,000.00	\$36,000.00	\$3,000.00	\$18,000.00	\$1,000.00	\$6,000.00	\$1,000.00	\$6,000.00		\$0.00	\$7,377.78	\$44,266.67		\$0.00	\$110,266.67
(Hill Road - Gera)						1	2005-06	3	\$6,000.00	\$18,000.00	\$3,000.00	\$9,000.00	\$1,000.00	\$3,000.00	\$1,000.00	\$3,000.00		\$0.00	\$7,377.78	\$22,133.33		\$0.00	\$55,133.33
Approved Public Improvement Cost						1	2004-05	6		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	(\$7,377.78)	(\$44,266.67)		\$0.00	(\$54,266.67)
						1	2005-06	3		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	(\$7,377.78)	(\$22,133.33)		\$0.00	(\$22,133.33)
Total										\$54,000.00		\$27,000.00		\$9,000.00		\$9,000.00		\$0.00		\$0.00		\$0.00	\$99,000.00
THE RANCH AT ALICANTE	DA-04-06	SD-04-14	MP-03-04	PR0520	9716	1	2005-06	8	\$6,000.00	\$48,000.00	\$3,000.00	\$24,000.00	\$1,000.00	\$8,000.00	\$1,000.00	\$8,000.00		\$0.00		\$0.00		\$0.00	\$88,000.00
Cochrane - Alicante 2004 Inc.						1	2006-07	7	\$6,000.00	\$42,000.00	\$3,000.00	\$21,000.00	\$1,000.00	\$7,000.00	\$1,000.00	\$7,000.00		\$0.00		\$0.00		\$0.00	\$77,000.00
Approved Public Improvement Cost						1	2005-06	8		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
						1	2006-07	7		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
Total										\$90,000.00		\$45,000.00		\$15,000.00		\$15,000.00		\$0.00		\$0.00		\$0.00	\$165,000.00
RANCHO DEL PUEBLO	DA-05-08	SD-05-10	MC-04-15	PR0642	9887	1	2006-07	14	\$6,600.00	\$92,400.00	\$3,300.00	\$46,200.00	\$1,100.00	\$15,400.00	\$4,533.00	\$63,462.00	\$4,400.00	\$61,600.00	\$2,200.00	\$30,800.00	\$3,300.00	\$46,200.00	\$356,062.00
Church - Old Orchard Company (Chuch - Alcini)										\$3,140.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$19,940.00	\$23,080.00
Approved Public Improvement Cost						1	2006-07	14		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
										\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
Total										\$95,540.00		\$46,200.00		\$15,400.00		\$63,462.00		\$61,600.00		\$30,800.00		\$66,140.00	\$379,142.00
ROSE GARDEN (LONE OAK FARMS)	DA-05-10	SD-05-15	MC-04-21	PR0706	9880	1	2007-08	13	\$3,300.00	\$42,900.00	\$3,300.00	\$42,900.00	\$1,100.00	\$14,300.00	\$1,100.00	\$14,300.00	\$4,400.00	\$57,200.00	\$2,200.00	\$28,600.00	\$3,300.00	\$42,900.00	\$243,100.00
Barret - Syncon Homes	DS-07-20						2008-09	5	\$3,300.00	\$16,500.00	\$3,300.00	\$16,500.00	\$1,100.00	\$5,500.00	\$1,100.00	\$5,500.00	\$4,400.00	\$22,000.00	\$2,200.00	\$11,000.00	\$3,300.00	\$16,500.00	\$93,500.00
							2009-10	14	\$3,300.00	\$46,200.00	\$3,300.00	\$46,200.00	\$1,100.00	\$15,400.00	\$1,100.00	\$15,400.00	\$4,400.00	\$61,600.00	\$2,200.00	\$30,800.00	\$3,300.00	\$46,200.00	\$261,800.00
Approved Public Improvement Cost							2007-08	13		\$0.00		\$0.00		\$0.00		\$0.00		(\$28,000.00)		\$0.00		\$0.00	(\$28,000.00)
							2008-09	5		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
							2009-10	14		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
Total										\$105,600.00		\$105,600.00		\$35,200.00		\$35,200.00		\$112,800.00		\$70,400.00		\$105,600.00	\$570,400.00
ROSE GLEN	DA-05-06	SD-05-04	MMC-04-07	PR0712	9898	1	2008-07	4	\$6,600.00	\$26,400.00	\$3,300.00	\$13,200.00		\$0.00		\$0.00	\$4,400.00	\$17,600.00		\$0.00		\$0.00	\$57,200.00
Ginger - Bay Sierra Properties, Inc. (Ginger - Custom One)										\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
Approved Public Improvement Cost						1	2006-07																

MEASURE C DEVELOPER COMMITMENTS FOR PUBLIC IMPROVEMENTS

Project	Project Information						Total Units		Park		Pedestrian Safety		Storm Drain		CIP		Public Facilities		Circulation		Livable Community		Totals		
									AC# 302-37649			AC# 355-37655			AC# 304-37649			AC# 346-37649			AC# 346-37649			AC# 346-37649	
LEGEND:																									
BLACK:	Collected Fee.																								
BLUE:	Fee to be collected per recordation of map's phase.																								
RED:	Fee credit issued for approved public improvements.																								
GREEN:	Projected collected fee once last (phase) map is recorded.																								
ROYAL COURT	DA-04-07	SD-04-15		PR0516	9629			54		\$0.00		\$0.00		\$0.00		\$1,000.00	\$54,000.00		\$0.00		\$0.00		\$0.00	\$54,000.00	
Del Monte - South County Housing										\$0.00		\$0.00		\$0.00			\$0.00		\$0.00		\$0.00		\$0.00	\$0.00	
Approved Public Improvement Cost								43		\$0.00		\$0.00		\$0.00		(\$1,000.00)	(\$43,000.00)		\$0.00		\$0.00		\$0.00	(\$43,000.00)	
										\$0.00		\$0.00		\$0.00			\$0.00		\$0.00		\$0.00		\$0.00	\$0.00	
Total										\$0.00		\$0.00		\$0.00			\$11,000.00		\$0.00		\$0.00		\$0.00	\$11,000.00	
SAN SAVIGNO	DA-05-04	SD-05-06	MC-04-19	PR0644	9853	1	2006-07	13	\$3,300.00	\$42,900.00	\$3,300.00	\$42,900.00	\$1,100.00	\$14,300.00	\$1,100.00	\$14,300.00	\$4,400.00	\$57,200.00	\$2,200.00	\$28,600.00	\$1,100.00	\$14,300.00		\$214,500.00	
East Main - San Savigno, LLC					9853	1	2007-08	5	\$3,300.00	\$16,500.00	\$3,300.00	\$16,500.00	\$1,100.00	\$5,500.00	\$1,100.00	\$5,500.00	\$4,400.00	\$22,000.00	\$2,200.00	\$11,000.00	\$1,100.00	\$5,500.00		\$82,500.00	
(East Main - Thrust)							2008-09	8	\$3,300.00	\$26,400.00	\$3,300.00	\$26,400.00	\$1,100.00	\$8,800.00	\$1,100.00	\$8,800.00	\$4,400.00	\$35,200.00	\$2,200.00	\$17,600.00	\$1,100.00	\$8,800.00		\$132,000.00	
Approved Public Improvement Cost						1	2006-07	13		\$0.00	(\$3,300.00)	(\$42,900.00)		\$0.00		(\$1,000.00)	(\$13,000.00)	(\$4,400.00)	(\$57,200.00)	(\$2,200.00)	(\$28,600.00)		\$0.00	(\$141,700.00)	
						1	2007-08	5		\$0.00	(\$3,300.00)	(\$16,500.00)		\$0.00		(\$1,000.00)	(\$5,000.00)	(\$4,400.00)	(\$22,000.00)	(\$2,200.00)	(\$11,000.00)		\$0.00	(\$54,500.00)	
							2008-09	8		\$0.00		\$0.00		\$0.00			\$0.00		\$0.00		\$0.00		\$0.00	\$0.00	
Total										\$85,800.00		\$26,400.00		\$28,600.00			\$10,600.00		\$35,200.00		\$17,600.00		\$28,600.00	\$232,800.00	
VILLAS OF SAN MARCOS	DA-04-05	SD-04-13	MC-04-13	PR0540	9767	1	2005-06	5	\$8,456.00	\$42,280.00	\$3,000.00	\$15,000.00	\$1,000.00	\$5,000.00	\$1,000.00	\$5,000.00	\$7,700.00	\$38,500.00	\$2,200.00	\$11,000.00		\$0.00		\$116,780.00	
Barrett - Odishoo (San Marcos Villas)				PR0540	9767	1	2006-07	13	\$3,300.00	\$42,900.00	\$3,300.00	\$42,900.00	\$1,100.00	\$14,300.00	\$1,100.00	\$14,300.00	\$7,700.00	\$100,100.00	\$2,200.00	\$28,600.00		\$0.00		\$243,100.00	
(Barrett - Odishoo)				PR0642	9837	2	2007-08	5	\$3,300.00	\$16,500.00	\$3,300.00	\$16,500.00	\$1,100.00	\$5,500.00	\$1,100.00	\$5,500.00	\$7,700.00	\$38,500.00	\$2,200.00	\$11,000.00		\$0.00		\$93,500.00	
Approved Public Improvement Cost				PR0642	9837	2	2008-09	13	\$3,300.00	\$42,900.00	\$3,300.00	\$42,900.00	\$1,100.00	\$14,300.00	\$1,100.00	\$14,300.00	\$7,700.00	\$100,100.00	\$2,200.00	\$28,600.00		\$0.00		\$243,100.00	
						1	2005-06	5		\$0.00		\$0.00		\$0.00		(\$1,000.00)	(\$5,000.00)	(\$7,700.00)	(\$38,500.00)	(\$2,200.00)	(\$11,000.00)		\$0.00	(\$54,500.00)	
						1	2006-07	13		\$0.00		\$0.00		\$0.00		(\$1,100.00)	(\$14,300.00)	(\$7,700.00)	(\$100,100.00)	(\$2,200.00)	(\$28,600.00)		\$0.00	(\$143,000.00)	
						2	2007-08	5		\$0.00		\$0.00		\$0.00			(\$6,600.00)	(\$33,000.00)	(\$2,200.00)	(\$11,000.00)		\$0.00		(\$44,000.00)	
						2	2007-08	3		\$0.00		\$0.00		\$0.00			(\$1,100.00)	(\$3,300.00)		\$0.00		\$0.00		(\$3,300.00)	
Total										\$144,580.00		\$117,300.00		\$39,100.00		\$19,800.00		\$102,300.00		\$28,600.00		\$0.00		\$451,680.00	
VIENTO	DA-05-05	SD-05-07	MC-04-14	PR0608	9791	1	2006-07	19	\$3,300.00	\$62,700.00	\$3,300.00	\$62,700.00	\$1,100.00	\$20,900.00	\$1,100.00	\$20,900.00	\$16,888.00	\$320,872.00	\$2,707.00	\$51,433.00	\$1,149.00	\$21,831.00		\$561,336.00	
East Central - Delco (DeNova)	DSA-07-16			PR0704	9804	2	2007-08	5	\$3,300.00	\$16,500.00	\$3,300.00	\$16,500.00	\$1,100.00	\$5,500.00	\$1,100.00	\$5,500.00	\$16,888.00	\$84,440.00	\$2,707.00	\$13,535.00	\$1,149.00	\$5,745.00		\$147,720.00	
(East Central - Delco)				PR0804	9858	3	2008-09	15	\$3,300.00	\$49,500.00	\$3,300.00	\$49,500.00	\$1,100.00	\$16,500.00	\$1,100.00	\$16,500.00	\$16,888.00	\$253,320.00	\$2,707.00	\$40,605.00	\$1,149.00	\$17,235.00		\$443,160.00	
Approved Public Improvement Cost						1	2006-07	19		\$0.00		\$0.00		\$0.00		(\$1,100.00)	(\$20,900.00)	(\$16,888.00)	(\$320,872.00)	(\$2,707.00)	(\$51,433.00)	(\$1,149.00)	(\$21,831.00)	(\$415,036.00)	
						2	2007-08	5		\$0.00		\$0.00		\$0.00			\$0.00		\$0.00		(\$2,707.00)	(\$13,535.00)		\$0.00	(\$13,535.00)
							2008-09	15		\$0.00		\$0.00		\$0.00			\$0.00		\$0.00		(\$2,707.00)	(\$40,605.00)		\$0.00	(\$40,605.00)
Total										\$128,700.00		\$128,700.00		\$42,900.00		\$22,000.00		\$337,760.00		\$0.00		\$22,980.00		\$683,040.00	

Effective July 1, 2008



BELOW MARKET RATE (BMR) UNITS FOR SALE
REVISED UNIT PRICING AND INCOME FIGURES

Below are the sale prices for BMR units.

Lower Income Units		12-06-07 (Refer to TABLE I)	03-01-08	07-01-08
		BMR	BMR	BMR
		<u>SALES PRICE</u>	<u>SALES PRICE</u>	<u>SALES PRICE</u>
Size				
3 Bdrm		\$198,500	\$225,500	\$264,000
4 Bdrm		\$216,500	\$245,000	\$283,500
Median Income Units		(Refer to TABLE I)		
		BMR	BMR	BMR
		<u>SALES PRICE</u>	<u>SALES PRICE</u>	<u>SALES PRICE</u>
Size				
3 Bdrm		\$263,100	\$297,000	\$335,500
4 Bdrm		\$286,200	\$323,000	\$361,500
Moderate Income Units		(Refer to TABLE I)		
		BMR	BMR	BMR
		<u>SALES PRICE</u>	<u>SALES PRICE</u>	<u>SALES PRICE</u>
Size				
3 Bdrm		\$327,500	\$369,000	\$407,500
4 Bdrm		\$356,000	\$400,500	\$439,000

TABLE I

HUD INCOME LIMITS "Hold Harmless" 2008								
# of Persons:	1	2	3	4	5	6	7	8
Lower:	\$59,400	\$67,900	\$76,400	\$84,900	\$91,650	\$98,450	\$105,250	\$112,050
Median:	\$73,800	\$84,400	\$95,000	\$105,500	\$113,900	\$122,400	\$130,800	\$139,300
Moderate:	\$88,000	\$101,300	\$113,900	\$126,600	\$136,700	\$146,900	\$157,000	\$167,100

Incomes are maximums per category, adjusted for family size.

NOTICE: THIS BMR PRICE LIST MAY BE REVISED WITHOUT PRIOR NOTICE

Approved Projects with Future BMR Commitments/Obligations

8/22/2008

Market Rate for Sale Competition

Percentage of Median/Moderate Income (of appropriate household size) for Sales Price Determination

Points	Commitment	R-3 Condominium	R-2 and R-3 Townhouse Units	R-2 SFD and R-1 7000	R-1 9000 and above lot size
(a)	5% Low	70%	73%	76%	80%
13 Points	5% Med/Mod	90%	100%	110%	120%
(b)	8% Low	70%	73%	76%	80%
14 points	2% Med/Mod	90%	100%	110%	120%
(c)	10% Low	65%	70%	75%	80%
15 points					

Sales price determination is based on median income and household size. All BMR units, including Moderate BMRs are deed restricted.